



**New York Farm Bureau**

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Public Policy

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# **MEMORANDUM OF SUPPORT**

**Senate Bill 3502-A (Senator Hinchey)/Assembly Bill 3886-A (Assemblywoman Lupardo)**

**AN ACT TO AMEND THE TAX LAW, IN RELATION TO THE FARM WORKFORCE RETENTION CREDIT; AND TO AMEND CHAPTER 60 OF THE LAWS OF 2016 AMENDING THE TAX LAW RELATING TO CREATING A FARM WORKFORCE RETENTION CREDIT, IN RELATION TO THE EFFECTIVENESS OF SUCH PROVISIONS**

**Date: 2/1/2022**

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New York Farm Bureau, the state's largest agricultural advocacy organization, would like to express its strong support for this legislation. This legislation would double the current Agricultural Workforce Retention Tax Credit.

Agriculture is a tremendously important sector of the New York state economy and rural communities Upstate and on Long Island. However, our farms conduct business in global economy and suffer competitive disadvantages in the marketplace due to very high labor costs in the state.

As noted in the bill's legislative memo, farms across New York challenged by a 23.5 percent in total production costs since 2007. These costs are largely the result of increased labor costs. In fact, a recent Farm Credit East report estimates that labor costs will increase by \$299 million due to the recently enacted farm labor statute mandating overtime for farmworkers that work over 60 hours a week. This number will obviously increase if the Governor accepts the recent DOL Farm Laborers Wage Board recommendation to lower the overtime threshold on farms to 40 hours.

New York farmers are dealing with greatly increased labor costs in recent years, including a rising minimum wage, a tightening labor market, and overtime pay in compressed growing season in the northeast. Doubling the Farm Workforce Retention Tax Credit (which was put into place to help farmers comply with the increasing minimum wage) and making this tax credit permanent, would signal recognition of the cost of labor mandates on farms and provide much needed investment in farms and our rural economy.

For these reasons, New York Farm Bureau respectfully requests your support of this legislation.